

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of

GENERAL ADJUSTMENTS IN)	
ELECTRIC RATES OF)	CASE NO. 8429
KENTUCKY POWER COMPANY)	

O R D E R

IT IS ORDERED that Kentucky Power Company shall file an original and eight copies of the following information with this Commission, with copies to all parties of record by March 25, 1982. Where a number of sheets are required for an item each sheet should be appropriately indexed, for example, Item 1(a), page 2 of 5. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case will be dismissed.

Provide the name of the witness who will be responsible for answering questions on each item requested.

- 1) A reconciliation of the \$10,939,466 fuel stock adjustment on Section V, schedule 2, page 2, column 3 of the financial and statistical filing with the \$10,831,220 adjustment on page 14 line 14 of Coulter Boyle's testimony.

- 2) Supporting workpapers showing the calculations of the 10.12% cost rate for long-term debt on page 18 of J. L. O'Donnell's exhibit.
- 3) Supporting workpapers showing the calculation of the adjustment for commitment fees and compensating balances mentioned on page 46 lines 10-12 of J. L. O'Donnell's testimony. Show separately the determination of the amount of the adjustment for commitment fees and for compensating balances.
- 4) Provide a detailed explanation including workpapers of the methods and calculations used to determine the normalized power plant maintenance included in Section V workpaper S-2 page 10.
- 5) Provide details of the adjustment to reflect improved benefits in Section V workpaper S-2 page 18 including the following:
 - (a) Monthly premiums for each item at the beginning and end of the test period.
 - (b) Basis of determining the monthly premium. (include all calculations)
 - (c) Detailed explanation of any changes in benefits.
 - (d) Any known changes in premium rates subsequent to the test period.
- 6) For the test year and each calendar year 1981

through 1985 (if available) the forecast of monthly sources and disposition of energy. Include all underlying assumptions and explain all computations used to forecast the sources and uses of energy.

- 7) Provide the annual depreciation rates for each plant account used to arrive at the annualized depreciation in Section V workpaper S-2, page 28.
- 8) Provide details of the modification 4 to the AEP System Pool Agreement. Also, provide the calculation used to determine the monthly capacity charge of \$1,020,000 under the agreement.
- 9) Provide a detailed analysis of the actual cost incurred to date for this rate case and the expected remaining cost. Provide monthly up-dates of the actual cost of this case through the date of the final Order.
- 10) Provide a statement as to the cost included in the monthly postage charged to O&M in Section V workpaper S-2 page 38, and include the source of these monthly figures.
- 11) Provide a statement of the companies policies regarding interest on customer deposits. Include the method of payment, calculation of interest due, amount of time deposits are

normally held. Also, provide the actual interest accrued and paid on customer deposits during the test year.

- 12) Provide an analysis of the costs incurred during the test year, and the total cost incurred through calendar year 1981, associated with the Dumont Test Site. Provide the method of allocation of this cost to the various AEP Systems or other companies included in this program.
- 13) Provide details of the agreements between Kentucky Power and various entities that rent property whether utility or non-utility from Kentucky Power. Include specifically the agreements which produce the rental revenue in Section V workpaper S-2 page 47. Also, provide a detailed analysis of the other expense associated with this property.
- 14) Provide an explanation of the additional T&D maintenance included in adjustment 22. Include details (workpapers) reflecting how the estimated costs were determined, when the additional employees will be employed, and when contracts will be negotiated for contract work. Also include any cost for this "additional T&D maintenance" program incurred during the test year.

Secretary